



NOTICE DATE: April 9, 2008

REQUEST FOR PROPOSAL FROM CPA FIRMS QUALIFIED TO PROVIDE
AUDIT SERVICES FOR BARNWELL COUNTY 2008

You are invited to submit proposals in accordance with the requirements that are contained herein.

It is required that your proposals be submitted and received by the Barnwell County Business Office, Room 124, County Administration Building, 57 Wall Street, Barnwell, SC, 29812, no later than 2:00 p.m., April 28, 2008.

This solicitation does not commit Barnwell County to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for services.

Barnwell County reserves the right to reject any or all proposals if in the best interest of the County and to disqualify any CPA firm that does not comply with the provisions of the RFP.

PURPOSE

Barnwell County is a political subdivision of the State of South Carolina.

Barnwell County is seeking proposals from CPA firms to provide **Audit Services** in accordance with the following scope of work:

- *The CPA firm will audit the general-purpose financial statements of Barnwell County for June 30, 2008, 2009, and 2010. All documents submitted to Barnwell County will include the following additional information that will be subjected to the auditing procedures applied in your audit of the general-purpose financial statements:*

1. *Schedule of Expenditures of Federal Awards*

- *The objective of your audit is the expression of an opinion as to whether the general purpose financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the general purpose financial statements taken as a whole. The objective must also include reporting on Barnwell County's compliance with laws and regulations and the provisions of contracts and grant agreements and its internal controls as required by the Single Audit Act Amendments of 1996 and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Your audit will be conducted in accordance with generally accepted auditing standards; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of the accounting records of Barnwell County and other procedures you consider necessary to enable the accounting firm to express an opinion and to render the required Single Audit reports. If your opinion on the general purpose financial statements of the Single Audit compliance opinion is other than unqualified, you must discuss in full the reasons with Barnwell County in advance.*
- *The management of Barnwell County will be responsible for establishing and maintaining internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.*

- *In planning and preparing the audits, the accounting firm will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of your audit procedures for the purpose of expressing the accounting firm's opinions on Barnwell County's general purpose financial statements and on its compliance with requirements applicable to major programs.*
- *The accounting firm will gain an understanding of the design of the relevant controls and whether they have been placed in operation, and the accounting firm will assess control risks. Tests of controls may be performed to test the effectiveness of certain controls that the accounting firm considers relevant to preventing and detecting errors and fraud that are material to the general purpose financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the general purpose financial statements. (Tests of controls are required only if control risk is assessed below the maximum level.) The accounting firm's tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed.*
- *The accounting firm will test controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of controls the accounting firm considers relevant to preventing and detecting material noncompliance with compliance requirements, applicable to each of Barnwell County's major federal award programs.*
- *The accounting firm will inform the governing body or audit committee of Barnwell County of any matters involving internal control and its operation the accounting firm considers reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to your attention relating to significant deficiencies in the design or operation of the internal control that, in your judgment, could adversely affect Barnwell County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. The accounting firm will also inform Barnwell County of any non-reportable conditions or other matters involving internal control, if any, as required by OMB Circular A-133.*
- *Barnwell County will comply with laws, regulations, contracts, and agreements, including grant agreements. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatements, the accounting firm will perform tests of Barnwell County's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. An opinion may or may not be rendered regarding the overall compliance.*
- *The accounting firm's audit will be conducted in accordance with the standards referred to in the second paragraph. OMB Circular A-133 requires that the accounting firm plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provision of contracts and grant agreements applicable to major*

programs. The accounting firm's procedures will consist of the applicable procedures described in the OMB's compliance supplement. The purpose of these procedures will be to express an opinion on Barnwell County's compliance with requirements applicable to major programs.

- *The accounting firm's procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. The accounting firm can request written representations from Barnwell County's attorney as part of the engagement, and the attorney may bill Barnwell County for responding to this inquiry. At the conclusion of the audit, the accounting firm can also request certain written representations from Barnwell County about the financial statements and related matters.*
- *An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, the accounting firm's audit will involve judgment about the number of transactions to be examined and the areas to be tested. The accounting firm will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatements, whether caused by error or fraud. As required by the Single Audit Act Amendments of 1996 and OMB Circular A-133, the accounting firm's audit will include test of transactions related to federal award programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. The accounting firm will inform Barnwell County of any material errors or fraud that comes to the accounting firm's attention. The accounting firm will include such matters in the reports required for a Single Audit. The accounting firm's responsibility as auditors will be limited to the period covered by the audit and will not extend to matters that might arise during any later periods for which the accounting firm was not engaged as auditors.*
- *Barnwell County will be responsible for making all financial records available and related information to the accounting firm. Barnwell County will provide the accounting firm with such information required for the audit and that Barnwell County will be responsible for the accuracy and completeness of the information. The accounting firm will advise Barnwell County about appropriate accounting principles and their application and will assist in the preparation of Barnwell County's financial statements, but the responsibility for the financial statements remains with Barnwell County. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, the selection and application of accounting principles, and the safeguarding of assets.*
- *The accounting firm will begin the audit in September and issue reports no later than the last business day in December.*
- *The accounting firm will provide all-inclusive audit fees for the services stated above for the following fiscal years:*
 - a. *Fiscal Year ending June 30, 2008*

b. Fiscal Year ending June 30, 2009

c. Fiscal Year ending June 30, 2010

- *If significant additional time is necessary, the accounting firm will discuss it with Barnwell County and arrive at a new fee estimate before the accounting firm incurs additional cost.*
- *In accordance with the Government Auditing Standards, please provide Barnwell County a copy of your most recent quality control review report.*

Type of Contract

Barnwell County intends to sign a contract with one CPA firm for the services stated in this RFP. To the extent that CPA firms choose to make joint proposals, one CPA firm must be designated the lead firm to sign the contract and be the point of contact with Barnwell County.

Compliance with RFP Provisions Mandatory

The CPA firm must meet all mandatory requirements set forth in this RFP. Failure to provide mandatory capability will result in the rejection of the CPA firm's proposal.

Preparation of Proposals

All proposals should be completed and carefully worded and must convey all the information requested by Barnwell County.

Questions

Every effort has been made to ensure that all information needed by the CPA firm is included herein. If a CPA firm finds that it cannot complete a proposal without additional information, written questions must be submitted to the Barnwell County Deputy Administrator. All replies to questions will be in writing. ***Verbal questions will not be accepted or received.*** When a question received by Barnwell County is found to be already answered in the RFP, that question will be returned to the CPA firm with a reference to the part of the RFP containing the answer. All questions will be answered in writing and will be distributed to all CPA firms and will be regarded as a part hereof. No negotiations, decisions or actions shall be initiated by any CPA firm or prospective firm as a result of any verbal discussion with any Barnwell County representative or employee.

All questions concerning this RFP shall be mailed to the Barnwell County Deputy Administrator, Room 124, County Administration Building, 57 Wall Street, Barnwell, SC 29812, emailed to nmathree@barnwellsc.com, or faxed to (803) 541-1070. Mark the envelope "Questions for RFP-Audit Services for Barnwell County 2008." The deadline for this RFP is 2:00 p.m., April 28, 2008.

Termination by Barnwell County

Funds for this contract are payable from Barnwell County funds. In the event no funds or insufficient funds are appropriated and made available for payments due under a contract, then Barnwell County shall immediately notify the CPA firm of such occurrence, and the contract shall create no further obligation of Barnwell County as to such current or succeeding fiscal year and shall be null and void, except as to the portions of the payments herein agreed upon for funds which shall have been appropriated and budgeted. In such event, this contract shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Barnwell County of any kind whatsoever. No right of action or damages shall accrue to the benefit of the CPA firm as to that portion of this contract, which may so terminate. Barnwell County shall provide the successful CPA firm with notice not less than thirty (30) days before the date of cancellation, if such time is available. Otherwise, prompt notice will suffice. In the event of occurrence of the circumstances described immediately above, the CPA firm shall not prohibit or otherwise limit the rights of Barnwell County to pursue and contract for alternate solutions and remedies as deemed necessary by Barnwell County for the conduct of its affairs. All provisions stated herein shall apply to any amendment or the execution of any option to extend the contract.

Approval of Use of Names

The CPA firm shall not have the right to include Barnwell County's name in its published list of customers without prior approval. With regard to news release, only the name of the CPA firm, type and duration of contract may be used and then only with prior approval of Barnwell County. The CPA firm agrees not to publish or cite in any form any comments or quotes from Barnwell County Council members or staff. The CPA firm further agrees not to refer to any award of this contract to commercial advertising in such manner as to state or imply that the products or services provided are endorsed or preferred by Barnwell County.

Compliance with Codes, Ordinances, Industry Standards

During the term of this contract, it shall be the CPA firm's responsibility to ensure compliance with all applicable provisions of laws, codes, ordinances, rules and regulations, tariffs, and industry standards.

Assignment

No contract or its provisions may be assigned, sublet, or transferred without the written consent of Barnwell County.

Compliance with Federal Regulations

State or Federal requirements that are more restrictive shall be followed.

Debarment Certification

The CPA firm agrees to comply with the applicable provisions of 45 CFR Part 76 (1990).

Audits and Reviews

The CPA firm shall, throughout the life of the contract, participate in State and Federal audits. The CPA firms shall provide support to Barnwell County during all audits. The support shall include, but shall not be limited to, producing documentation, gathering data, preparing reports or correspondence, and assisting Barnwell County in responding to questions.

CONTENTS OF STATEMENT

Your proposal must contain the following information:

Corporate Statement

Outline the CPA firm's location, size, and history. Special emphasis should be placed in the CPA firm's presence in South Carolina, if any.

Statements must include a description of the CPA firm's senior projects staff, firm resources, and the application of those resources to the project's needs.

The statements must include the professional resume of each individual who would be designated as a project manager or technical support team.

References

The CPA firm must provide references regarding similar services.

Performance Summary on Similar Services

The CPA firm must provide information regarding past performance on similar services to show that it is capable of providing the service on a timely basis, within a budget, and to the customer's satisfaction.

Rate Schedules

Statement must include the CPA firm's standard rate schedules and that of any subcontractor used by the firm for labor costs (direct and overhead) and reimbursable expenses including equipment time, travel-related costs, telex/telephone charges, etc.

Subcontractors

If the CPA firms propose to use key professional personnel who are not employed by the CPA firms in a full time capacity, the CPA firm must include a resume(s) of the personnel, specifically designate what portion of the project the personnel will be responsible for and what percentage, in terms of time, of the project will be performed by such personnel. The CPA firm shall be professionally liable for the work of such personnel and shall provide assurance to Barnwell County that such personnel will devote sufficient time, which time shall be satisfactory to Barnwell County, to the project in order to carry out properly the designated project work.

Other information directly related to scope of work may be included

EVALUATION AND REVIEW OF PROPOSALS

Barnwell County will evaluate and review the submitted proposals. The proposals will be evaluated based on the evaluation criteria set forth below. Discussions with representatives of the CPA firms regarding their qualifications may be held as needed.

CPA firms may be asked to make formal presentations to Barnwell County at any time during the process. After a selection has been made, the Barnwell County Administrator will negotiate a satisfactory contract with the selected CPA firm. If a satisfactory contract cannot be negotiated with the first ranked CPA firm, the County Administrator will have the authority to negotiate with the second ranked CPA firm, and so forth, until a satisfactory contract is negotiated or Barnwell County determines to re-solicit the RFP.

Ranking Criteria

Barnwell County will use the following criteria, listed in order of importance, in ranking and selecting the CPA firms based upon the submitted RFPs:

CRITERIA	RANKING
1. The experience of and special expertise and abilities of the CPA firm and key personnel with regard to similar projects;	Max. <u>30</u> Pts.
2. The reputation of the CPA firm, with emphasis on similar projects completed in South Carolina;	Max. <u>20</u> Pts.
3. Ability of the CPA firm to complete work of project on time and within budget;	Max. <u>20</u> Pts.
4. References;	Max. <u>20</u> Pts.
5. Cost and pricing information.	Max. <u>10</u> Pts.
Total Points Awarded (not to exceed 100):	100

Project Timetable

Proposal price submitted by CPA firm must remain firm for sixty (60) days after the deadline for submitting proposal.

SUBMISSION OF PROPOSALS

Submit four (4) copies of the proposals to the following address:

Business Office
County Administration Building, Room 124
57 Wall Street
Barnwell, SC 29812

All proposals must be received at the above address no later than 2:00 p.m., April 28, 2008. Any proposal not received by Barnwell County by the required time and date and not completely responsive to the scope of work shall be rejected and shall not be evaluated.